

Kentucky Agri-News

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Featuring: ▶ Crop Production ▶ Cold Storage ▶ Slaughter ▶ Dairy Products
▶ Chicken & Eggs ▶ Peach Production ▶ Agricultural Prices

JULY CROP REPORT

U.S. HIGHLIGHTS

* **Winter wheat production** was forecast at 1.86 billion bushels, up 3 percent from last month and 23 percent above 2007.

* **Winter wheat harvested for grain** was forecast at 40.3 million acres, up 12 percent from last year.

* **Winter wheat yield** was forecast at 46.3 bushels per acre, up 1.0 bushel from last month and 4.1 bushels from last year.

* **Kansas**, the number one winter wheat state, was expecting 366.6 million bushels, up 29 percent from 2007.

KENTUCKY

Farmers expect to produce 32.0 million bushels of **winter wheat**. The forecast was based on crop conditions as of July 1 and represented a 3 percent increase in production from the June estimate. The expected 2008 crop will be up 161 percent from the 2007 freeze reduced crop and would be the largest crop on record. The previous record high was 28.6 million bushels in 1981. The expected increase in the 2008 crop is a result of both excellent yields and increased harvested acreage. Yield was forecast at 71 bushels per acre, equal to the record high yield recorded in 2006. The current forecast is up 2 bushels from the June estimate and 22 bushels from the 2007 crop. Farmers intend to harvest 450,000 acres for grain, unchanged from June while up 200,000 acres from the 2007 freeze reduced harvested acreage. The 2008 acreage harvested for grain would be the largest in 10 years. Attractive prices for grain last fall at seeding time and good growing conditions resulted in the large acreage for harvest as grain this year. Of the 560,000 acres of wheat seeded in the fall of 2007, the 110,000 acres not harvested for grain were used as plow down prior to setting tobacco or harvested as hay or silage.

WINTER WHEAT, SELECTED STATES & U.S., JULY 1, 2008

STATE	AREA HARVESTED		YIELD		PRODUCTION		
	2007	Ind. 2008	2007	Ind. 2008	2006	2007	Ind. 2008
	(1,000 Acres)		(Bushels)		(1,000 Bushels)		
Colorado	2,350	2,000	40.0	28.0	39,900	94,000	56,000
Illinois	890	1,160	57.0	66.0	60,970	50,730	76,560
Indiana	370	530	57.0	67.0	31,740	21,090	35,510
Kansas	8,600	9,400	33.0	39.0	291,200	283,800	366,600
KENTUCKY	250	450	49.0	71.0	22,720	12,250	31,950
Missouri	880	1,120	43.0	52.0	49,140	37,840	58,240
Montana	2,190	2,450	38.0	37.0	82,560	83,220	90,650
Nebraska	1,960	1,700	43.0	42.0	61,200	84,280	71,400
Ohio	730	1,050	63.0	67.0	65,280	45,990	70,350
Oklahoma	3,500	4,500	28.0	38.0	81,600	98,000	171,000
South Dakota	1,980	1,720	48.0	48.0	41,400	95,040	82,560
Tennessee	260	550	41.0	65.0	12,160	10,660	35,750
Texas	3,800	3,500	37.0	30.0	33,600	140,600	105,000
Washington	1,690	1,770	64.0	62.0	118,800	108,160	109,740
U.S.	35,952	40,252	42.2	46.3	1,298,081	1,515,989	1,864,245

COLD STORAGE HIGHLIGHTS

Frozen food stocks in refrigerated warehouses on May 31, 2008 were greater than year earlier levels for turkey, chicken, pork and beef.

All U S. Warehouse Stocks				May 2008 as % of	
Commodity	May 31 2007	April 30 2008	May 31 2008	May 2007	April 2008
Frozen Poultry		1,000 lbs		Percent	
Chicken	612,267	752,875	754,535	123	100
Turkey	397,984	491,283	516,401	130	105
Ducks	7,536	3,347	2,391	32	71
Total Frozen Poultry	1,017,787	1,247,505	1,273,327	125	102
Meat					
Total Frozen Beef	411,480	429,950	427,450	104	99
Frozen Pork					
Bellies	57,294	100,189	87,366	152	87
Total Frozen Pork <u>1/</u>	491,950	652,585	567,556	115	87
Total Meat <u>2/</u>	925,698	1,106,649	1,020,428	110	92

1/Includes picnics, hams, bellies, loins, ribs, trimmings, and other frozen pork. 2/Includes frozen beef, pork, veal, lamb and mutton, other frozen meat, canned hams, and other canned meat.

RED MEAT PRODUCTION

Commercial red meat production for the United States totaled 4.22 billion pounds in May, up 4 percent from the 4.08 billion pounds produced in May 2007. May 2007 contained 23 weekdays (including one holiday) and 4 Saturdays. May 2008 contained 22 weekdays (including one holiday) and 5 Saturdays. Beef production, at 2.38 billion pounds, was 4 percent above the previous year. Cattle slaughter totaled 3.14 million head, up 3 percent from May 2007. The average live weight was up 19 pounds from the previous year, at 1,251 pounds. Pork production totaled 1.82 billion pounds, up 3 percent from the previous year. Hog kill totaled 9.06 million head, up 3 percent from May 2007. The average live weight was down 1 pound from the previous year, at 268 pounds.

COMMERCIAL RED MEAT PRODUCTION: UNITED STATES & KENTUCKY 1/

Type	May 2007	April 2008	May 2008	May 08 % of	
				May 2007	April 2008
	Million Pounds			Percent	
Beef	2,285.1	2,254.5	2,380.3	104	106
Veal	12.3	11.9	11.5	93	96
Pork	1,762.6	2,015.3	1,815.6	103	90
Lamb & Mutton	15.5	15.3	15.0	97	98
Total U.S.	4,075.5	4,297.0	4,222.3	104	98
Total Kentucky	47.4	50.0	44.2	93	88

1/ Based on packers' dressed weights and excludes farm slaughter.

COMMERCIAL SLAUGHTER: KENTUCKY & U.S. MAY 2007 & 2008 1/

Type	Number Slaughtered		Total Live Weight		Average Live Weight	
	2007	2008	2007	2008	2007	2008
	1,000 head		1,000 lbs.		Pounds	
Kentucky						
Cattle	1.3	1.5	1,247	1,420	945	938
Hogs	232.2		61,823		267	
Sheep & Lambs	1.0	1.1	133	135	132	127
United States						
Cattle	3,051.4	3,139.7	3,748,224	3,916,945	1,232	1,251
Hogs	8,761.5	9,062.7	2,353,328	2,426,413	269	268
Sheep & Lambs	218.5	206.4	30,978	29,975	142	146

1/ Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter.

U. S. DAIRY PRODUCTS, MAY 2008

PRODUCT	May 2007	Apr. 2008 <u>1/</u>	May 2008	Percent of May 07 Apr. 08	
	(000) Pounds			Percent	
BUTTER	1 23,991	150,118	143,582	116	96
CHEESE					
American Types <u>2/</u>	332,537	337,392	347,369	104	103
Mozzarella	280,745	273,771	271,888	97	99
All Other Types <u>3/</u>	211,345	199,015	209,153	99	105
Total	824,627	810,178	828,410	100	102
	(000) Gallons			Percent	
FROZEN PRODUCTS					
Ice Cream (Hard)	86,180	75,984	80,017	93	105
Frozen Yogurt (Total)	5,838	6,201	6,717	115	108
MIX FOR FROZEN PRODUCTS					
Ice Cream Mix	47,482	44,049	45,157	95	103
Yogurt Mix	3,805	3,758	4,071	107	108

1/Revised. 2/Includes Cheddar, Colby, Monterey, and Jack. 3/Includes Swiss, Cream and all other types. Excludes cottage cheese.

UNITED STATES EGG PRODUCTION & HATCH

	May 2007	May 2008	May 08 % of May 07
Egg Production			
Eggs Produced (Million)	7,622	7,574	99
Average Layers (000)	342,469	340,319	99
Eggs Per 100 Layers	2,226	2,226	100
Egg Type Hatchery			
Eggs Set June 1 (000)	38,550	37,595	98
Chicks Hatched (000)	38,080	42,724	112
Broiler Type Hatchery			
Eggs Set June 1 (000)	680,099	674,213	99
Chicks Hatched (000)	835,773	823,718	99

PEACH PRODUCTION

Commercial peach production for **Kentucky** was forecast at 1,000 tons as of July 1, compared to the freeze damaged crop of just 10 tons in 2007. Peach production was 1,100 tons in 2006.

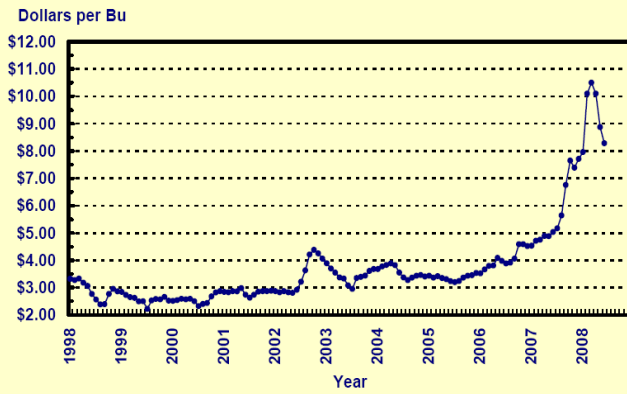
U.S. peach production forecast was 1.10 million tons, down 3 percent from 2007 but 9 percent above the 2006 crop. Nineteen of the 28 Freestone peach estimating States expect increases in production from last year, while eight States decreased their production from the previous season, and one State showed no change.

COMMERCIAL PEACH PRODUCTION 2007 & 2008 FORECAST

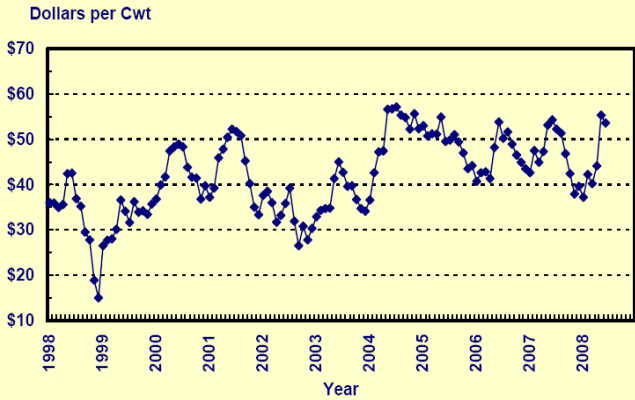
2008 Rank	STATE	2007	2008 <u>1/</u>
(Ton s)			
TOP FIVE STATES			
1.	California	949,000	810,000
2.	South Carolina	12,500	55,000
3.	Georgia	13,000	35,000
4.	New Jersey	32,000	34,000
5.	Pennsylvania	19,400	23,000
KENTUCKY & SURROUNDING STATES			
9.	Illinois	100	10,800
19.	Missouri	15	4,400
15.	Ohio	4,100	5,500
23.	Tennessee	2/	1,900
27.	KENTUCKY	10	1,000
UNITED STATES		1,128,740	1,097,150

1/ July 1, 2008. 2/No production due to freeze damage.

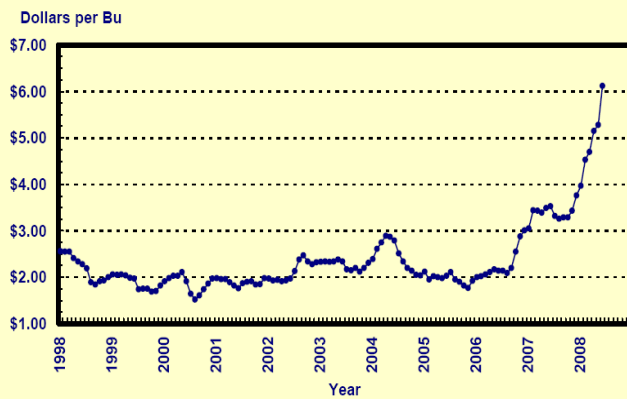
Prices Received, Wheat, US



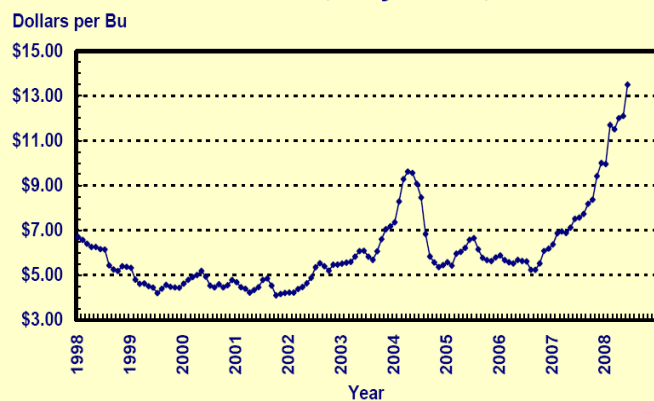
Prices Received, Hogs, US



Prices Received, Corn, US



Prices Received, Soybeans, US



Internet Access: Data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service homepage located at <http://www.usda.gov/nass/>